

Lidl GB

Policy on the Responsible Sourcing of Fruit and Vegetables

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Our Position

At Lidl we strive to make a positive difference by operating responsibly. We are committed to ensuring that our buying power is driving positive change for producers, communities and the environment while we build long term partnerships with our suppliers. This way of working allows us to offer carefully selected goods that are produced to the highest quality, with both environmental and social standards, so our consumers can choose responsible sourced products at affordable prices.

Acknowledging our Responsibility

Lidl GB is committed to British sourcing and, when seasonally possible, sources fruit and vegetables from long-term British suppliers.

In 2016, Lidl signed up to the NFU fruit and veg pledge, committing to work in a sustainable way with all its growers. We are committed to sourcing products from suppliers who uphold high social and environmental standards, and work with suppliers that have internationally recognised schemes to accredit these practices.

Policy Author

This policy is owned by the Responsible Sourcing Manager, Lidl GB, and has been developed between the buying, QA and CSR teams. Lidl GB reserves the right to audit compliance against this policy at any time and take action on areas of non-compliance. Any queries on this policy should be directed to CSR@lidl.co.uk. Lidl GB welcomes feedback on the positions and commitments outlined and would like to acknowledge all stakeholders who supported the development of this policy.

Our Scope

This policy applies to all suppliers of fresh fruit and vegetables into Lidl GB.

Supplier Responsibility

Lidl GB expects all suppliers of own-label listed fruit and/or vegetables into Lidl GB to dedicate resource within their business operations to ensure compliance to this policy, as part of our trading relationship. The policy forms part of our contractual obligations and will be considered in line with commercial obligations. All commitments and supplier responsibilities within this policy are bullet pointed for ease of reference.

Our Actions

Our Approach

We acknowledge that the agricultural industry has a largely migrant workforce, which can be more vulnerable to exploitation, poor working conditions and human rights violations. We recognise that there are risks throughout agricultural supply chains including labour rights, human rights, health and safety issues and environmental impacts. Through the commitments in this policy we are taking steps to ensure that the workers, farmers and communities who produce, pack and deliver the fruit and vegetables we sell in our stores are treated fairly, and receive safe and decent working and living conditions.

Lidl GB takes a human rights due diligence approach to protecting workers within its supply chains. In order to ensure a systematic approach of monitoring and assessing human rights risks in our supply chains, Lidl have developed a [Human Rights and Environmental Due Diligence Policy](#) and a [Code of Conduct](#). They define the social expectations of all global direct and indirect suppliers and outlines the universally recognised social standards in our production sites, which forms an integral part of our commercial contracts.

Lidl recognises the challenges associated with ethical sourcing and welcomes an open and honest dialogue with its suppliers when it comes to the implementation of this policy. We believe that working collaboratively with our suppliers is the best way to promote sustainable change. We are committed to reporting on our progress, as well as reviewing opportunities to develop our commitments further.

We are a member of the Food Network for Ethical Trade (FNET), a group of suppliers and retailers whose ambition it is to address human rights risks in global food supply chains through a common, collaborative approach. We recommend our suppliers join this group, gaining access to a comprehensive risk assessment tool and the opportunity to join topical working groups.

Agents and Brokers

Agents and brokers working on behalf of Lidl must ensure that the requirements listed below and overleaf are upheld.

All UK-based suppliers and growers

Social

- **Worker accommodation**

All UK sites that provide caravan accommodation for temporary workers must complete the online training modules hosted on the Sedex website. Exemptions may be provided if suppliers can demonstrate that they already provide industry-leading standards of caravan accommodation. Further information can be found [here](#).

- **Responsible recruitment**

All UK suppliers and growers who engage labour providers to source and/or supply workers must meet the conditions outlined in the Lidl GB [Supply Chain Policy for the Responsible Use of Labour Providers](#).

All Tier One suppliers i.e. final packing and production sites of Lidl GB products

Social

- All suppliers for fruit & vegetables to Lidl GB must meet the Lidl GB ethical compliance KPIs outlined in the [Lidl GB Supplier Social Compliance Guidance](#), namely:
 - a) Visible, complete Self-Assessment Questionnaire (SAQ) shared on Sedex
 - b) Accountable person identified for ethical sourcing (communicated via Sedex)
 - c) Visible, in-date ethical audit shared with Lidl on Sedex for designated high-risk sites (see Appendix 2)
 - d) Post-audit compliance at audited sites

- **Modern slavery awareness**

All tier one suppliers must ensure that a senior manager attends a Stronger Together training workshop. Following this workshop, relevant outputs must be feedback to the wider business and implemented as necessary. Further information about the workshops can be found [here](#).

All suppliers with a turnover greater than £36 million must share the link to their latest modern slavery statement with Lidl on an annual basis.

All Growers

Environmental

- All suppliers of fruit and vegetables to Lidl GB must be either Red Tractor Assured or Global G.A.P accredited.

Social*

- **Update:** By the end of 2021, all growers must have *Global G.A.P. GRASP* as a minimum ethical requirement. Growers will not be required to have GRASP if they can demonstrate that they already have one of the following in place:

- Bioland
- Biopark
- SA 8000
- SIZA
- SMETA, provided the following apply:
 - Must be shared with Lidl GB via Sedex
 - All non-compliances closed within auditor's timeframe
 - Conducted within the past 365 days for *high risk* countries (see page 8)
 - Conducted within the past 3 years for all other countries
- BSCI Primary Production
- Fair for life
- Fair production standards version 19 and higher for mushroom growers
- Fairtrade
- Gää
- MPS SQ
- Naturland
- QS FIAS
- Rainforest Alliance
- Swiss GAP (as soon as the GRASP requirements have been integrated)
- IP Sigill Arbetsvillkor / IP Standard for Working Conditions

Update: From December 31st 2021, the result of the Global G.A.P. GRASP audits must be 'fully compliant'.

*A derogation may be applied to this deadline at the discretion of the Lidl buyer, if suppliers can demonstrate a clear roadmap to compliance.

Progress

Lidl GB is committed to assessing the status of the certificates of our fruit and vegetable suppliers on an annual basis. We reserve the right to request information at any point, to audit compliance throughout the supply chain and take action on areas of non-compliance.

Additional Information

Glossary of Terms

CSR: Corporate Social Responsibility

FNET: Food Network for Ethical Trade

Global G.A.P. GRASP: GLOBALG.A.P. Risk Assessment on Social Practice

Human rights: Internationally recognised human rights – understood, at a minimum, as those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work

Human rights due diligence: An ongoing risk management process that a reasonable and prudent company needs to follow in order to identify, prevent, mitigate and account for how it addresses its adverse human rights impacts

QA: Quality Assurance

Sedex: Supplier Ethical Data Exchange. See <https://www.sedexglobal.com/>

SAQ: The Sedex self-assessment questionnaire

SMETA: Sedex Members Ethical Trade Audit

Stronger Together. See <https://www.stronger2gether.org/>

UN Guiding Principles on Business and Human Rights: the authoritative global standard for preventing and addressing the risk of adverse human rights impacts linked to business activity

Environmental & Social standards

GLOBALG.A.P.



The **GLOBALG.A.P. Fruit & Vegetables Standard** covers all stages of production from pre-harvest activities such as soil management and plant protection product application to post-harvest produce handling, packing and storing. The GLOBALG.A.P. Chain of Custody Certification Standard identifies the status of a product throughout the entire process, from farm to retailer. It lays out strict requirements for handling certified products and the proper segregation of certified and non-certified produce in the processing operation units.

GLOBALG.A.P. (GRASP)



The **GLOBALG.A.P. Risk Assessment on Social Practice (GRASP)** is a voluntary module developed to assess social practices on the farm, addressing specific aspects of workers' health, safety and welfare. GRASP helps producers establish a good social management system on their farms. It offers buyers added assurance and it helps protect one of the farm's most important resources: its people. GRASP measures are assessed together with the GLOBALG.A.P. audit.

Rainforest Alliance



The **Rainforest Alliance Sustainable Agriculture Standard** encompasses social, economic and environmental sustainability. The standard identifies the important principles of sustainable farming including biodiversity conservation; improved livelihoods and human well-being; natural resource conservation; and effective planning and farm management systems. Rainforest Alliance Certified farms are audited regularly to verify that farmers are complying with the Standard's comprehensive requirements, which require continual improvement.

Red Tractor Assured



The **Red Tractor Food Assurance Scheme** assures food safety, animal welfare, hygiene and environmental protection through every part of the food chain for British produce. The standards of good agricultural practices lead to strict food hygiene, animal welfare and environmental standards with every pack traceable to the farm of origin.

Fairtrade Standard for Fruit & Vegetables



The Standard aims to protect and benefit workers on fruit and vegetable farms by certifying those farms which ensure safety and good working conditions for their employees. There are also clear procedures for ensuring the local environment is protected. The Fairtrade standard aims to provide higher wages than typically paid to producers as well as helping producers develop knowledge, skills and resources to improve their lives.

Sedex Members Ethical Trade Audit (SMETA)



SMETA is an audit format which is a compilation of good practice in ethical audit techniques designed to help auditors conduct high quality audits that encompass all aspects of responsible business practice created by the Sedex Stakeholder Forum.

FNET Country Risk Rating

Country	Risk rating	Risk category
Afghanistan	74.2	High
Albania	48.4	High
Algeria	60.3	High
Angola	70.4	High
Armenia	55.2	High
Azerbaijan	59.1	High
Bahrain	60.8	High
Bangladesh	65.5	High
Belarus	62.5	High
Benin	58.3	High
Bolivia (Plurinational State of)	55.2	High
Bosnia and Herzegovia	52.5	High
Brazil	47.2	High
Burkina Faso	52.6	High
Burundi	81.8	High
Cabo Verde	49.8	High
Cambodia	74.5	High
Cameroon	67.9	High
Central African Republic	85.6	High
Chad	74.2	High
China	65.7	High
Colombia	53.3	High
Comoros	55.3	High
Congo (Republic of the)	68.1	High
Congo (Democratic Republic of the)	75.4	High
Côte d'Ivoire	60.8	High
Djibouti	55.3	High
Dominican Republic	47.1	High
Ecuador	54.8	High
Egypt	64.4	High
El Salvador	47.8	High
Equatorial Guinea	78.9	High
Eritrea	85.6	High
Ethiopia	64.5	High
Gabon	62.0	High

Gambia	64.5	High
Ghana	47.8	High
Greece	51.5	High
Guatemala	61.6	High
Guinea	67.2	High
Guinea-Bissau	72.1	High
Guyana	52.0	High
Haiti	65.9	High
Honduras	63.1	High
India	58.3	High
Indonesia	58.9	High
Iran (Islamic Republic of)	72.6	High
Iraq	67.6	High
Kazakhstan	61.1	High
Kenya	62.9	High
Korea (Democratic People's Republic of)	85.1	High
Kosovo	54.1	High
Kuwait	57.6	High
Lao People's Democratic Republic of	72.0	High
Lebanon	54.7	High
Lesotho	50.5	High
Liberia	57.2	High
Libya	86.8	High
Macedonia (Republic of)	49.1	High
Madagascar	60.6	High
Malawi	52.4	High
Malaysia	55.6	High
Mali	62.4	High
Mauritania	71.8	High
Mexico	59.3	High
Moldova (Republic of)	49.7	High
Mongolia	53.0	High
Morocco	48.6	High
Mozambique	56.8	High
Myanmar	63.4	High
Nepal	55.4	High
Nicaragua	63.1	High
Niger	66.0	High

Nigeria	69.2	High
Oman	56.9	High
Pakistan	71.3	High
Papua New Guinea	67.7	High
Paraguay	53.3	High
Peru	50.5	High
Philippines	58.9	High
Qatar	51.5	High
Russian Federation	56.5	High
Rwanda	51.3	High
Saudi Arabia	59.8	High
Senegal	52.4	High
Serbia	47.6	High
Sierra Leone	61.2	High
Solomon Islands	49.1	High
Somalia	94.2	High
South Sudan	89.1	High
Sudan	83.0	High
Suriname	53.5	High
Swaziland	60.7	High
Syrian Arab Republic	81.9	High
Tajikistan	67.3	High
Tanzania (United Republic of)	59.9	High
Thailand	58.4	High
Timor-Leste	61.1	High
Togo	54.0	High
Trinidad and Tobago	48.2	High
Tunisia	47.7	High
Turkey	60.1	High
Turkmenistan	69.4	High
Uganda	63.3	High
Ukraine	58.3	High
United Arab Emirates	54.0	High
Uzbekistan	65.2	High
Venezuela	61.6	High
Vietnam	61.4	High
Yemen	82.4	High
Zambia	60.8	High
Zimbabwe	71.4	High